JIMMY PANETTA 20th District, California

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COMMITTEE ON AGRICULTURE

COMMITTEE ON THE BUDGET

COMMITTEE ON WAYS AND MEANS

Congress of the United States

House of Representatives

Washington, DC 20515-0520 April 3, 2019 212 CANNON HOUSE OFFICE BUILDING WASHINGTON, DC 20515 (202) 225–2861

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The Honorable Mark Esper Secretary of the Army 101 Army Pentagon Washington, DC 20330

The Honorable Heather Wilson Secretary of the Air Force 1670 Air Force Pentagon Washington, DC 20310 The Honorable Richard V. Spencer Secretary of the Navy 1000 Navy Pentagon Washington, DC 20350

Dear Secretary Esper, Secretary Spencer, and Secretary Wilson:

We write today to express our concern regarding transparency, communication, and accountability standards connected to the Military Housing Privatization Initiative (MHPI).

The Fiscal Year 1996 National Defense Authorization Act authorized MHPI, facilitating the transfer of military housing operations and maintenance to private partner landlords. MHPI sought to leverage the investments and capabilities of private industry to improve military housing standards, increase military readiness, and advance servicemember family quality of life. Unfortunately, MHPI has not lived up to the expectations for which it was envisioned.

Recent news articles – as well as our offices' personal interactions with military families, Installation Chain of Command, and private partner landlords – reveal significant life, health, and safety concerns at some project sites. Serious health concerns connected to ongoing exposure to mold, sewage, lead, rodents, and insects are prevalent. Numerous reports of private partner landlords' indifference, inaction, and negligence have been widely publicized. Finally, deficiencies in installation level oversight appear to have led to mistreatment, and in some cases retaliation, against military families.

Please know, we appreciate the recent urgency and attention the services have placed on the issue. A special thanks to Secretary Esper for helping facilitate recent in-person oversight in California, Colorado, Kentucky, Louisiana, Maryland, New York, North Carolina, and Texas, among other locations. Numerous interactions with military families have revealed service member Chains of Command are responsive and attuned to the concerns of families, when informed. We commend you on your joint approach to drafting a military tenant bill of rights. Additionally, military officials have repeatedly and publicly articulated the need to address transparency, communication, and accountability problems associated with MHPI.

It is imperative the services develop a holistic solution to remedy systemic MHPI issues and empower military families. Let us not rush to failure; we must be diligent and purposeful in our actions on this topic. We expect the services to embark on a deliberate process, with appropriate

stakeholder input from Congress, military families, and partner industry. Moreover, we welcome the opportunity to gather stakeholders for an open and honest dialogue as we work to rectify this issue.

Based on our engagements, we urge you to consider the following suggestions to your draft military tenant bill of rights, which are intended to provide service members and their families with enhanced protection and power in handling housing issues. Specifically, we believe these suggestions will empower military families and strengthen transparency, communication, and accountability within the MHPI program:

- 1. Tenants have a right to reside in homes and communities that are safe; meet health, safety, and environmental standards; have working and safe fixtures, appliances, and utilities; and have well-maintained common areas and amenity spaces. No lease may contain a waiver of habitability clause.
- 2. Tenants have a right to a Special Housing Advocate to provide counsel and zealously represent the tenants' interests before those of the landlord. The Special Housing Advocate shall be a neutral third-party advocate separate and distinct from the Installation Chain of Command and the private partner landlord. The Secretary of Defense shall establish baseline training requirements for the Special Housing Advocate.
- 3. Tenants have a right to property management services that meet or exceed local industry standards and best practices. Management services to be performed by professionally-trained, responsive, and courteous customer service and maintenance staff.
- 4. Tenants have a right to multiple, convenient methods to communicate directly with the private partner landlord and maintenance staff, and to receive timely, honest, and responsive communications at all times.
- 5. Tenants have a right to prompt and professional repairs and/or remediation, and shall be informed of the required timeframe for those repairs and/or remediation pursuant to the applicable housing privatization agreements when a maintenance request is submitted. All repairs and/or remediation shall be conducted in compliance with applicable state and local standards. Tenants shall be provided copies of all test and remediation actions. If requested repairs are necessary to address an immediate life, health, or safety issue, tenants shall have the right to prompt relocation into suitable lodging or other housing, at no cost to the tenants, until repairs are completed. If life, health, or safety repairs are not completed within three weeks, a tenant shall be offered a no-cost move into an alternative, suitable residence on the installation or within the surrounding local community. Tenant shall be consulted on the suitability of the alternative residence. Landlord shall be directly liable for any moving expense connected to lost, stolen, or damaged property.
- 6. Tenants have the right to have landlord-tenant disputes concerning repairs, damage claims, and rental payments resolved by a neutral decision maker. A decision in favor or the tenant shall include a determination of any reduction in rent owed by the landlord to be paid or credited to the tenant in accordance with the applicable state laws and regulations.
- 7. Tenants have the right to petition Installation Chain of Command and request rent payments be segregated and withheld from the landlord in the event the landlord does not uphold its

contractual duties or duties under this Tenant Bill of Rights. Installation Chain of Command shall have the responsibility to timely determine if the landlord is in breach. If the landlord is in breach, rent shall be withheld until the breach is cured. Rent payments made by a tenant engage in a dispute being heard by a neutral decision maker shall be automatically segregated and not provided to the landlord until the neutral decision maker's decision regarding the matter in dispute is made, which may result in a refund to the tenant or payment of rent to the landlord.

- 8. Tenants have the right to be fully briefed by the landlord on all rights and responsibilities associated with the tenancy prior to signing a lease, and a thirty-day follow-on meeting to review these responsibilities. Tenants shall be provided a clear and comprehensive accounting of tenant maintenance rights and responsibilities and landlord maintenance rights and responsibilities. Tenants shall be provided a comprehensive maintenance, repair, and remediation history of the home. Tenants have the right, opportunity, and time to prepare and be present for both move-in and move-out inspections, and to submit necessary paperwork.
- 9. Tenants have the right to privacy and reasonable advance notice of any entrance into their rental units by the landlord, except in cases of emergency.
- 10. Tenants have the right to clearly defined terms in the lease agreement. Other than the annual Basic Allowance for Housing adjustment, tenants have the right to reasonable prior written notice of any rent adjustment. Any and all non-disclosure agreements concerning the lease between tenants and the landlord shall be null and void.
- 11. Tenants have the right to not pay nonrefundable fees and not have rent payments arbitrarily held.
- 12. Tenants have the right to be free from discrimination, harassment, and retaliation.

United States military families deserve healthy housing options. The life, health, and safety of our servicemembers and their families is imperative to military readiness and national security. We look forward to working with you to ensure your Departments have the authorities, appropriations, and support to implement MHPI reforms.

Sincerely,

Jinmy Panetta

Member of Congress

Don Bacon

Member of Congress

Member of Congress

Member of Congress

Michael Waltz
Member of Congress

Jared Golden
Member of Congress

Elaine G. Luria Member of Congress

Max Rose Member of Congress Gilbert Ray Cisneros, Jr. Member of Congress

Van Taylor

Member of Congress

Jason Crow Member of Congress